

EXHIBIT 1

FINANCIAL LAW GROUP

GERALDINE A. VALDEZ
OF COUNSEL

401 VIA DEL NORTE

LA JOLIA, CA 92037

TELEPHONE (858) 458-4266

FACSIMILE (858) 454-9596

GERALDINEV@FINANCIALLAWGROUP.BIZ

January 4, 2013

Patrick Hosey
Hosey & Bahrambeygui
225 Broadway Ste 1460
San Diego, CA 92101

Re: Case No. 37-2010-00103266-CU-CO-CTL
Ramiel Begzadeh v. Keko Sako, et al.

Dear Mr. Hosey:

This firm represents Leslie T. Gladstone, the Chapter 7 Trustee in the bankruptcy of Lamia Begzadeh, Bkr. Case No. 10-04872-LT7 entitled *In re Lamia Thomas Begzadeh*, which is currently pending in the United States Bankruptcy Court for the Southern District of California. Lamia Begzadeh is the former spouse of your client Ramiel Begzadeh, the plaintiff in the above case (the "State Court Action"). Ms. Begzadeh filed for bankruptcy on March 26, 2010 at which time she was still legally the spouse of Ramiel Begzadeh. On her schedule B, Personal Property, a copy of which is enclosed, Ms. Begzadeh listed as personal property her community interest in the above lawsuit.

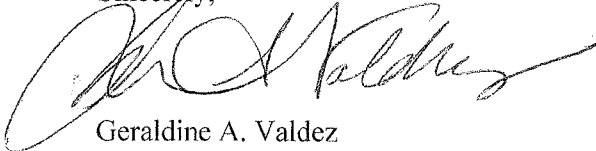
In about August 2010, Mr. Begzadeh's bankruptcy attorney, Drew Lyman, provided us with a draft settlement of the above litigation that Ms. Begzadeh was being asked to approve. We have been monitoring the progress of this settlement in the State Court Action ever since. A representative of this office attended the most recent Case Management Conference on July 20, 2012. At that time, the parties had not finalized the settlement allegedly due to a number of claims that were overlapping in the litigation. I am informed that Judge Curiel ordered the parties to complete the settlement by December 2012 and continued the Case Management Conference until today, January 4, 2013. In preparation for monitoring the CMC, we reviewed the Superior Court registry of actions to see whether anything had taken place since the last status conference. We were surprised to see that a stipulation for dismissal of the action was filed on August 14, 2012. The Stipulation for Dismissal provides for the court to retain jurisdiction to enforce a settlement.

Patrick Hosey
January 4, 2013
Page two of two

PLEASE ADVISE YOUR CLIENT THAT ANY PROCEEDS FROM RAMIEL BEGZADEH'S SETTLEMENT WITH KAKO SAKO ARE THE COMMUNITY PROPERTY OF RAMIEL AND LAMIA BEGZADEH AND THUS PROPERTY OF THE BANKRUPTCY ESTATE. DEMAND IS HEREBY MADE THAT RAMIEL BEGZADEH TURN OVER ANY FUNDS HE HAS ALREADY RECEIVED AS PART OF THE SETTLEMENT AND ASSIGN HIS RIGHT TO ALL FUTURE PAYMENTS THEREUNDER TO THE TRUSTEE FOR THE BENEFIT OF CREDITORS OF THE ESTATE.

Please also provide me, at your earliest convenience, with a copy of the final settlement document resolving the State Court Action.

Sincerely,

A handwritten signature in black ink, appearing to read "G. Valdez", is written over the typed name. The signature is fluid and cursive.

Geraldine A. Valdez

GAV/sy

Enclosure

B6B (Official Form 6B) (12/07) - Cont.

In re Lamia Thomas Begzadeh

Case No. _____

Debtor

SCHEDULE B - PERSONAL PROPERTY
(Continuation Sheet)

Type of Property	N O N E	Description and Location of Property	Husband, Wife, Joint, or Community	Current Value of Debtor's Interest in Property, without Deducting any Secured Claim or Exemption
35. Other personal property of any kind not already listed. Itemize.		Eilbra International Inc. S-Corp. This was a wholesale import/export business. The corp. has earned zero income.	-	0.00
		Community property interest: Debtor's marriage to Ramiel Begzadeh resulted in divorce on Jan. 17, 2008. While the dissolution judgement has been entered, community property has not been divided. Debtor's ex-husband, Ramiel Begzadeh owns 50 percent of Sabe properties LP, which owns Philco Petroleum, LP. Sabe Properties, LP owns a small shopping center and gas station in Colexico, CA, with a 3.6 million dollar mortgage to Neighborhood National Bank.	-	Unknown
		Ramiel Begzadeh also has a 50 percent interest in Philco, LP, which operates a gas station and convenience store on the Colexico property. A lawsuit between Ramiel Begzadeh and the other owners of Sabe Properties, LP and Philco, LP is pending.		
		Debtor's community interest, based upon the outcome of the lawsuit, is also pending.		
		RB Management Corp. DBA Beck and Associates. Debtor is not a shareholder of this corporation. Ramiel Begzadeh, Debtor's ex-husband, owns 100 percent shareholder.	-	0.00
		Unpaid spousal support: March 07 thru December 07 total due \$52,360.00, \$0.00 received. January 08 thru December 08 total due \$62,832.00, \$21,000.00 received. January 09 thru November 09 total due \$57,596.00, \$0.00 received.	-	172,788.00

Sub-Total > **172,788.00**
(Total of this page)
Total > **176,888.00**

Sheet 3 of 3 continuation sheets attached
to the Schedule of Personal Property

(Report also on Summary of Schedules)

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January 4, 2013

Franklin V. Crudo
5445 Oberlin Drive, Suite 200
San Diego, CA 92121

Bret G. Hamelin
5445 Oberlin Drive, Suite 200
San Diego, CA 92121

Re: Case No. 37-2010-00103266-CU-CO-CTL
Ramiel Begzadeh v. Keko Sako, et al.

Dear Mr. Crudo and Mr. Hamelin:

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Frank V. Crudo and Bret G. Hamelin
January 4, 2013
Page two of two

Please advise your respective clients that any proceeds from Ramiel Begzadeh's settlement with them are the community property of Ramiel and Lamia Begzadeh and thus property of the bankruptcy estate. Please direct all future payments under the settlement to the Trustee for the benefit of creditors of the estate.

Please also provide me, at your earliest convenience, with a copy of the final settlement document resolving the State Court Action.

Sincerely,

A handwritten signature in black ink, appearing to read "G. Valdez", with a long horizontal flourish extending to the right.

Geraldine A. Valdez

GAV/sy

Enclosure

cc: Patrick Hosey

Case 10-04872-LT7 Filed 03/26/10 Doc 1 Pg. 12 of 52

B6B (Official Form 6B) (12/07) - Cont.

In re Lamia Thomas Begzadeh

Case No. _____

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